

Introduced by Senator Leno

February 19, 2014

An act to amend Section 13995.1 of the Government Code, relating to tourism.

LEGISLATIVE COUNSEL'S DIGEST

SB 1119, as introduced, Leno. California Travel and Tourism Commission.

The California Tourism Marketing Act sets forth the findings and declarations of the Legislature with regard to travel and tourism in the state generally, including findings regarding state funding of marketing.

This bill would make technical, nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 13995.1 of the Government Code is
- 2 amended to read:
- 3 13995.1. The Legislature hereby finds and declares all of the
- 4 following:
- 5 (a) Tourism is among California's biggest industries,
- 6 contributing over fifty-two billion dollars (\$52,000,000,000) to
- 7 the state economy and employing nearly 700,000 Californians in
- 8 1995.
- 9 (b) In order to retain and expand the tourism industry in
- 10 California, it is necessary to market travel to and within California.

1 (c) State funding, while an important component of marketing,
2 has been unable to generate sufficient ~~funds~~ *funding* to meet the
3 threshold levels of ~~funding~~ necessary to reverse recent losses of
4 California's tourism market share.

5 (d) In regard to the need for a cooperative partnership between
6 business and industry:

7 (1) It is in the state's public interest and vital to the welfare of
8 the state's economy to expand the market for, and develop,
9 California tourism through a cooperative partnership funded in
10 part by the state that will allow generic promotion and
11 communication programs.

12 (2) The mechanism established by this chapter is intended to
13 play a unique role in advancing the opportunity to expand tourism
14 in California, and it is intended to increase the opportunity for
15 tourism to the benefit of the tourism industry and the consumers
16 of the State of California.

17 (3) Programs implemented pursuant to this chapter are intended
18 to complement the marketing activities of individual competitors
19 within the tourism industry.

20 (4) While it is recognized that smaller businesses participating
21 in the tourism market often lack the resources or market power to
22 conduct these activities on their own, the programs are intended
23 to be of benefit to businesses of all sizes.

24 (5) These programs are not intended to, and they do not, impede
25 the right or ability of individual businesses to conduct activities
26 designed to increase the tourism market generally or their own
27 respective shares of the California tourism market, and nothing in
28 the mechanism established by this chapter shall prevent an
29 individual business or participant in the industry from seeking to
30 expand its market through alternative or complementary means,
31 or both.

32 (6) (A) An individual business's own advertising initiatives are
33 typically designed to increase its share of the California tourism
34 market rather than to increase or expand the overall size of that
35 market.

36 (B) In contrast, generic promotion of California as a tourism
37 destination is intended and designed to maintain or increase the
38 overall demand for California tourism and to maintain or increase
39 the size of that market, often by utilizing promotional methods

1 and techniques that individual businesses typically are unable, or
2 have no incentive, to employ.

3 (7) This chapter creates a mechanism to fund generic promotions
4 that, pursuant to the required supervision and oversight of the
5 secretary as specified in this chapter, further specific state
6 governmental goals, as established by the Legislature, and result
7 in a promotion program that produces nonideological and
8 commercial communication that bears the characteristics of, and
9 is entitled to all the privileges and protections of, government
10 speech.

11 (8) The programs implemented pursuant to this chapter shall
12 be carried out in an effective and coordinated manner that is
13 designed to strengthen the tourism industry and the state's economy
14 as a whole.

15 (9) Independent evaluation of the effectiveness of the programs
16 will assist the Legislature in ensuring that the objectives of the
17 programs as set out in this section are met.

18 (e) An industry-approved assessment provides a private-sector
19 financing mechanism that, in partnership with state funding, will
20 provide the amount of marketing necessary to increase tourism
21 marketing expenditures by California.

22 (f) The goal of the assessments is to assess the least amount per
23 business, in the least intrusive manner, spread across the greatest
24 practical number of tourism industry segments.

25 (g) The California Travel and Tourism Commission shall target
26 an amount determined to be sufficient to market effectively travel
27 and tourism to and within the state.

28 (h) In the course of developing its written marketing plan
29 pursuant to Section 13995.45, the California Travel and Tourism
30 Commission shall, to the maximum extent feasible, do both of the
31 following:

32 (1) Seek advice and recommendations from all segments of
33 California's travel and tourism industry and from all geographic
34 regions of the state.

35 (2) Harmonize, as appropriate, its marketing plan with the travel
36 and tourism marketing activities and objectives of the various
37 industry segments and geographic regions.

38 (i) The California Travel and Tourism Commission's marketing
39 budget shall be spent principally to bring travelers and tourists into
40 the state. No more than 15 percent of the commission's assessed

- 1 funds in any year shall be spent to promote travel within California,
- 2 unless approved by at least two-thirds of the commissioners.

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